



BUDGET WEEK

Committee on the Budget • Majority Caucus
U.S. House of Representatives
Jim Nussle, *Chairman*

309 Cannon House Office Building
Washington, DC 20515 • (202) 226-7270
James T. Bates, *Chief of Staff* • www.budget.house.gov

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Summarizing budgetary issues in legislation
scheduled for the House floor

9 May 2006

Week of 8 May 2006

SUSPENSION CALENDAR

1) ***American River Pump Station Project Transfer Act of 2005*** (H.R. 4204). 

This bill directs the Secretary of the Interior to convey certain lands on the American River, along with a water pumping facility that is under construction until fiscal year 2008, to the Placer County Water Agency in California. The Congressional Budget Office [CBO] estimates the conveyance could save the Federal Government the \$220,000 to \$450,000 annually that it now appropriates for temporary pumping facilities. Thus, enacting H.R. 4204 has no significant impact on the Federal budget.

2) ***Upper Housatonic Valley National Heritage Area Act*** (H.R. 5311). 

This bill is identical to H.R. 983, passed by the House on 16 May 2005, except for a non-substantive technical change in the language. It establishes the Upper Housatonic Valley National Heritage Area [NHA] in Connecticut and Massachusetts, and designates as its manager the Upper Housatonic Valley National Heritage Area Inc. The corporation will develop a plan to protect, develop, and manage the resources of the NHA. This bill does not affect direct spending – spending not subject to appropriations – or revenue.

3) ***A Bill to Require the Secretary of the Interior to Accept the Conveyance of Certain Land, to Be Held in Trust for the Benefit of the Puyallup Indian Tribe*** (S.1382). 

This bill requires the Department of the Interior to take into trust two parcels of land in the city of Fife, WA. The legislation also requires the Department to take certain additional parcels into trust, if acquired by the tribe. Because the lands will be owned by the tribe prior to transfer, and the government will incur no significant additional costs in taking them into trust, this bill has no significant effect on the Federal budget.

4) ***Heroes Earned Retirement Opportunities Act*** (H.R. 1499). 

This bill amends the Internal Revenue Code to include combat zone compensation (otherwise excludable from gross income) as earned income for purposes of calculating the tax deduction for contributions to retirement savings plans. The effect is to increase the maximum amount of retirement contributions that combat personnel may deduct. The House passed H.R. 1499 on 23 May 2005, and the Senate passed it with an amendment on 15 November 2005 and sent the bill back to the House. The amendment applies the bill to tax years 2004 and later, whereas the original House bill applied to tax years 2005 and later. The Joint Committee on Taxation has not provided a revenue estimate for H.R. 1499, but the bill is expected to reduce revenue by a small amount. The bill does not affect direct spending.

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PLEASE NOTE: This document addresses budgetary issues only. It should not be taken to address support or opposition on any other grounds. A green flag indicates no serious budgetary or budget compliance concerns. A yellow flag indicates moderate or potential problems. A red flag indicates serious problems. Also note: Floor schedules and legislative details are subject to change after publication.

This document was prepared by the majority staff of the Committee on the Budget, U.S. House of Representatives. It has not been approved by the full committee and therefore may not reflect the views of all the committee's members.

5) **To Designate the Federal Building and United States Courthouse Located at 101 Barr Street in Lexington, Kentucky, as the "Scott Reed Federal Building and United States Courthouse"** (H.R. 4530). 

This bill does not affect direct spending or revenue.

6) **Rural Health Care Capital Access Act of 2006** (H.R. 4912). 

This bill provides benefits to any hospitals owned by State, local, or tribal governments that apply for and receive Federal Housing Administration [FHA] loan guarantees. In addition, the bill extends, to 31 July 2011, the exemption for critical access hospitals from meeting certain requirement to receive private loans used to finance the modernization and rehabilitation of certain hospital facilities. FHA loan guarantees are subject to appropriations, and CBO estimates the FHA could earn additional offsetting collections (a reduction in discretionary spending). H.R. 4912 does not affect direct spending or revenue.

7) **Byron Nelson Congressional Gold Medal Act** (H.R. 4902). 

This bill instructs the Treasury Secretary to strike, and the House and the Senate to present, a Congressional Gold Medal to Byron Nelson in recognition of his contributions to the game of golf. It also authorizes the Treasury Secretary to strike duplicate medals (in bronze) for sale to the public at a price sufficient to cover total costs of the gold medal and the duplicates. CBO assumes that the sales will cover the costs, and that the bill therefore will have a negligible impact on the Federal budget.

8) **Respect for America's Fallen Heroes Act** (H.R. 5037). 

This bill prohibits unauthorized demonstrations at Arlington National Cemetery or on the property of cemeteries under the control of the National Cemetery Administration, and subjects violators to possible fines or imprisonment. Criminal fines are recorded as revenue, deposited in the Crime Victims Fund and later spent. CBO expects that any additional revenue and direct spending would not be significant because of the small number of cases likely to be affected.

9) **To Designate the Department of Veterans Affairs Medical Center in Muskogee, Oklahoma, as the Jack C. Montgomery Department of Veterans Affairs Medical Center** (H.R. 3829). 

A formal cost estimate was not available, but this bill, if enacted, is not expected to increase direct spending or reduce revenue.

10) **Palestinian Anti-Terrorism Act of 2006** (H.R. 4681). 

This bill imposes restrictions on aid provided to the Palestinian Authority [PA], and imposes other restrictions on activity by the PA and its officials in the United States. It requires the President to certify and transmit to Congress every 6 months a presidential certification of certain existing conditions, including a determination that no PA ministry, agency, or instrumentality is controlled by a foreign terrorist organization. CBO estimates that implementing H.R. 4681 would have no significant budgetary impact and would not affect direct spending or receipts.

LEGISLATION CONSIDERED UNDER A RULE

Bill: **National Defense Authorization Act for Fiscal Year 2007** (H.R. 5122). 

Committee: Armed Services

Summary: This bill authorizes appropriations to the Department of Defense [DOD] for fiscal year 2007. It authorizes appropriations for: 1) procurement, including for aircraft, missiles, weapons and tracked combat vehicles, ammunition, and shipbuilding and conversion; 2)

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research, development, test, and evaluation, including ballistic missile defense; 3) operation and maintenance, including for defense working capital funds, the Defense Health Program, drug interdiction and counter-drug activities, and environmental restoration; 4) active and reserve military personnel, including end strengths and the Armed Forces Retirement Home; 5) the North Atlantic Treaty Organization Security Investment Program; 6) chemical demilitarization construction; and 7) Guard and reserve forces facilities. In addition, it sets forth provisions or requirements concerning: death gratuity benefits, the TRICARE pharmacy program, the acquisition of military facilities and military construction for the Armed Forces and defense agencies, and the sale of assets from the National Defense Stockpile.

Cost: A formal cost estimate was not available. Based on CBO's preliminary estimate, the bill is expected to increase direct spending by \$12 million in 2007, and reduce direct spending by \$10 million over the 2007-11 period. It is expected to reduce revenue by \$3 million over the 2010-11 period.

Budget Act: Because a budget resolution for fiscal year 2007 has not been agreed to, the direct spending in this bill will violate section 303 of the Congressional Budget Act. Section 303 prohibits consideration of any bill that first provides new budget authority for a fiscal year for which a concurrent resolution on the budget has not yet been agreed to.